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March 20, 2012

Chair Fonfara
Chair Nardello
Members of the Committee on Energy and Technology

Thank you for the opportunity to speak to you today. My name is Ray Gincavage. I reside in Branford and am a Vice President of Global Companies LLC. Global's headquarters are in Waltham MA but we employ about 320 people in the state of Connecticut. Global has done business in Connecticut for over twenty years. We live here, pay taxes here, own assets here and create and maintain jobs here. I oppose SB 450.

I am speaking from the perspective of a wholesale supplier of distillate fuels to retail heating oil companies throughout the state. Global owns two storage facilities in Connecticut and has agreements to lease space in three others in the state that enable us to sell product throughout the state. We supply a large amount of the distillate product that is consumed in the state through sales to hundreds of the family owned retailers in the state. Global continues to make investments in assets in this market to enable us to maintain the reputation we have as a reliable, competitive supplier.

I have been in the oil industry for over 36 years. Over that period of time I have marveled at what a dependable, safe, economical energy source heating oil has been and continues to be. One way or another through every major crisis oil has continued to flow into our market providing the energy we need. When demand was such that other forms of energy could not keep up it was oil that was called on to pick up the slack. And for 17 of the last 20 years heating oil has been less expensive than other fuel alternatives.

Now for some reason oil is being painted as the problem rather than the continued solution! Why? Perhaps it is an easy target at this time because at the moment it is price disadvantaged. Many factors including political unrest in the world, failed political policies in Washington, and growth in demand in emerging economies has caused this run up in oil prices relative to other fuels. Will oil stay higher? Nobody can answer that question with certainty.

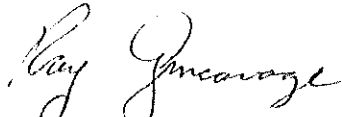
So this brings me to the question of why you would want to propose that the state government study the value in developing programs to take customers away from oil and hand them over to the gas company? For 17 of the past twenty years when heating oil was less expensive than gas was the state government studying the value of programs that take customers off of gas and put them on oil? They did not! The concept of the state influencing one's decision as to what

energy form to use is deeply flawed! Educated consumers can decide for themselves how to heat their homes based upon economic considerations, safety considerations, reliability considerations, and service considerations. Historically oil has scored very high in all of these four categories!

Therefore I strongly object to Section 4 of this bill and ask that it be removed. Global plans to continue to increase our investment in this market and if the state is going to help cause consumers to use other forms of energy it may negatively affect the number of people we employ in the state and the investments we make on additional assets in the state.

Thank you for your time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ray Gincavage".

Ray Gincavage
Vice President